




# MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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## MEMORANDUM

**TO:** The Governing Board

**FROM:**  Joseph T. Edmiston, FAICP, Executive Officer

**DATE:** August 17, 2006

**SUBJECT:** **Agenda Item VI: Consideration of resolution authorizing application to the Santa Monica Mountains Conservancy for an augmentation of grant SMM-0463 for the Vista Hermosa Watershed Restoration project.**

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing application to the Santa Monica Mountains Conservancy for an augmentation of grant SMM-0463 for the Vista Hermosa Watershed Restoration project in the amount of \$5,950,000.

Legislative Authority: Joint Exercise of Powers Action (Government Code Section 6500 *et seq.*)

Background: On August 30, 2004, the Santa Monica Mountains Conservancy (SMMC) authorized a grant of Proposition 50 funds in the amount of \$3,269,700 to the MRCA for construction and project management for the Vista Hermosa Los Angeles River Watershed Restoration Project. On July 19, 2006, construction bids were obtained from three contractors. The lowest qualified bid was \$9,814,775. Although the project was redesigned to cut costs, and the bid was separated into fifteen parts to isolate specific costs, the bid is significantly higher than all previous estimates. This is likely due to rapidly escalating costs for materials and transport and general uncertainties regarding the economy. The recent slowdown in the real estate market may also be a factor because of its effect on the construction industry.

Additional funding for the project has already been secured from the Los Angeles County Regional Park and Open Space District, the Los Angeles Unified School District, private donors, an SMMC Proposition 12 grant, and a City of Los Angeles Proposition K grant to LAUSD. The requested augmentation will be combined with all of these sources to construct the park.